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Accused in Petrobras Corruption Case to Repay \$165 Million

IW industryweek.com/the-economy/article/21964085/accused-in-petrobras-corruption-case-to-repay-165-million



The Economy

Nov. 18, 2014

Five people accused in a corruption scandal at Brazil's state oil giant Petrobras have agreed to return \$165 million to the public purse in plea bargains with prosecutors.

Agence France-Presse

RIO DE JANEIRO -- Five people accused in a corruption scandal at Brazil's state oil giant **Petrobras (IW 1000/23)** have agreed to return \$165 million to the public purse in plea bargains with prosecutors, a newspaper reported Tuesday.

The daily newspaper Globo said the five accused include Paulo Roberto Costa, a jailed former Petrobras director who exposed the massive scope of the alleged payments to Brazilian politicians, dubbed "Operation Car Wash."

Globo said Costa has pledged in writing to return \$27 million, most of which is parked in a Swiss bank account, the report said, citing sources close to the investigation.

O Estado de Sao Paulo reported Monday that another former Petrobras director, Pedro Barusco, had agreed to pay back \$100 million and cooperate with investigators.

The paper said \$20 million Barusco holds in a Swiss bank account had been blocked. Barusco is accused of having been in cahoots with another former director, Renato Duque, who was arrested last week.

Currency dealer Alberto Youssef, accused of money laundering in the case, has reportedly pledged to hand back some \$19.2 million, and two businessmen from construction firm Toyo Setal say they would hand back a similar sum.

Brazil's massive state oil company has become a national nightmare <http://t.co/IBmMCsvPBc>
pic.twitter.com/pxe77tIWn0

— Business Insider (@businessinsider) November 18, 2014

As much as \$4 billion was allegedly paid to members of the ruling Workers Party and other politicians between 2004 and 2012 to buy influence with cash creamed off inflated Petrobras contracts.

Petrobras vowed Monday to do a better job policing itself and to set up a compliance division as it struggles to cope with the fallout of a scandal which has wiped billions from its market value in recent months.

Some of those arrested on suspicion of corruption and money-laundering include top executives from some of Brazil's biggest construction firms.

Brazil's President Dilma Rousseff says she had no knowledge of the kickback scheme, even though senior members of her ruling Workers Party have been linked to it.

Nobody has been convicted to date but dozens of arrests have been made and Costa is set to stand trial.

Rousseff, a former chair of the Petrobras board, has welcomed the investigation, telling reporters at the G20 summit in Brisbane it could "change Brazil forever" by ending a culture of impunity.

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